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Testimony of
MARK B. GLICK, Chief Energy Officer

before the
HOUSE COMMITTEE ON TRANSPORTATION

Tuesday, March 12, 2024
10:30 AM
State Capitol, Conference Room 312 and Videoconference

In Support of
SB 3022, SD2

RELATING TO TRANSPORTATION.

Chair Todd, Vice Chair Kila, and members of the Committee, the Hawai'i State Energy Office (HSEO) supports SB 3022, SD2, that establishes a transportation network company fee and deposits fees collected into the Safe Routes to School Program Special Fund.

HSEO's testimony is guided by its mission pursuant to HRS §196-71 to promote energy efficiency, renewable energy, and clean transportation, and HRS §196-72 (7) to "evaluate, recommend, and participate in the development of incentives and programs that encourage the development of... clean transportation resources."

Transportation network companies (TNCs) are companies that offer prearranged rides or car rentals for a fee, utilizing an online application (app) via a mobile phone. The availability of TNCs provide transportation options for our residents as well as visitors. TNCs have the potential to increase vehicle efficiency by reducing the number of empty or underutilized seats in cars through ride-sharing, which could lead to a more efficient use of existing vehicles and a decrease in overall vehicle miles travelled (VMT) and energy used for transportation. This is not always the case according to recent

studies suggesting that TNCs tend to increase VMT by inducing additional travel as well as “deadheading,”¹

Furthermore, a comprehensive 2021 study concluded that TNC resulted in reduced public transit ridership (by 8.9%) in the 174 studied metropolitan statistical areas.² Thus, the data shows TNC is moving people away from more efficient modes of transportation. TNCs also contribute to heightening congestion in urban areas if they prompt a shift away from public transportation or non-motorized modes, increasing emissions and energy consumption.

HSEO's commitment to transitioning towards clean transportation and reducing vehicle miles traveled (VMT) and energy consumption through walking, biking, and transit is crucial for meeting the State's 2045 net-negative carbon goal. However, safety stands out as a common obstacle hindering individuals from choosing walking, biking, or public transit over driving. Therefore, HSEO supports SB 3022, SD2, since depositing the collected fees from TNCs into the Safe Routes to School program will help enhance safety measures, encouraging the adoption of more energy-efficient modes of transportation, which aligns with HSEO's statutory objectives.

Thank you for the opportunity to testify.

¹ Martin, E., Shaheen, S., & Stocker, A. (2021). Impacts of Transportation Network Companies on Vehicle Miles Traveled, Greenhouse Gas Emissions, and Travel Behavior Analysis from the Washington DC, Los Angeles, and San Francisco Markets. <https://escholarship.org/content/qt90b6d7r3/qt90b6d7r3.pdf>

² Diao, M., Kong, H., & Zhao, J. (2021). Impacts of transportation network companies on urban mobility. *Nature Sustainability*, 4(6), 494-500. <https://www.nature.com/articles/s41893-020-00678-z#citeas>